FBIS DAILY REPORT

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FEDERAL COURTS ASSUME PENDING RIGHTS CASES

Cordoba Cases Listed

PY022029 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1241 GMT 30 Dec 86

[Text] Cordoba, 30 Dec (NA) -- The Federal Appellate Court of Cordoba has requested the Armed Forces Supreme Council and the military courts within its jurisdiction "to immediately remit to it all cases currently under investigation" which fall within the Appellate Court's jurisdiction, "whether they have been granted postponement or not, and irrespective of the stage of proceedings."

The same resolution, the first one issued as a result of the recently signed Full Stop Law, orders the Supreme Council to take "the appropriate measures to prevent the application of the statute of limitations due to the lack of summonses or preliminary hearings," in the cases involving four retired generals, two retired colonels and one retired captain, and a major and two captains on active duty in the III Army Corps.

The resolution, which includes the case of General Luciano Benjamin Menendez, retired, was adopted by the Federal Court in a special session presided over by its president, Jose Maria Aliaga, and Justices Raul Sanchez Freytes, Miguel Angel Bustos Vocos, Jose Antonio Gamond, Pedro Leon Feit, and Ricardo Haro.

Regarding the Conadep [National Commission on the Disappearance of Persons], La Perla [clandestine detention center near Cordoba city] and related cases on which the Armed Forces Supreme Council have been given a deadline to hand down a decision, the Federal Court has ordered the council to "immediately remit" to it the cases, "whether they have been granted postponement or not and irrespective of the stage of proceedings."

Regarding the case known as "Conadep -- Charges Regarding Torture, Murder and Manhandling, (La Perla) and Related Cases," the Federal Court urges the Supreme Council to adopt "the appropriate measures to prevent the application of the statute of limitations due to the lack of summonses or preliminary hearings."

The Federal Court of Cordoba also decided "to open the courts during the January vacation period to deal with the cases connected with Law No 23,492 (Full Stop Law), and to provide special shifts with all necessary personnel, including those due for leave during the summer vacation."

The main cases now under investigation by the Armed Forces Supreme Council include those of retired Generals Luciano Benjamin Menendez, Juan Sasiain, Jorge Maradona, and Gumercindo Arturo Centeno; retired Colonels Emilio Anadon and Raul Fierro; and retired Captain Hector Pedro Bergez. They also include Major Ernesto Barreiro, Captain Alsina, and Captain Mones Ruiz, all on active duty; noncommissioned officer Luis Manzanelli, retired; and Army civil agent Jose Arnoldo "Chubi" Lopez.

Of these, only General Menendez remains under rigorous preventive arrest at a military unit of the 1 Army Corps in Buenos Aires.

Bahia Blanca, Tucuman Cases

PY032038 Buenos Aires BUENOS AIRES HERALD in English 3 Jan 87 p 11

[Text] (NA-DYN) -- Federal appeals courts in Bahia Blanca and Tucuman yesterday decided to take on more than 100 cases of human rights violations committed in the Fifth Army Corps during the last military government which comes under their jurisdiction and that of the Armed Forces Supreme Council.

The Courts' rulings cancelled the military stages of the trials and suspended the January court recess to begin treatment of the charges already filed or those that could be filed in the future, probably due to the newly-sanctioned "full stop" law which set a 60-day deadline for the presentation of charges of human rights violations committed until December 10, 1983;

The Supreme Court's decision on the question of competence on the First Army Corps cases, however, has been suspended until February as the Court did not issue a ruling before the beginning of the January court recess, although Attorney General Juan Ocatavio Gauna last Monday ruled on the case against Juan Antonio del Cerro, known as "Colores."

Once the Court rules on the question of competence over these cases, in which seven high-ranking Army officers are involved, it will return the case to the appeals court, for which the 60-day deadline will run as from that date, as the "full stop" law stipulated that questions of competence will be decided as from the set term.

Meanwhile, former Federal Judge Oscar Salvi said most judges will declare the "full stop" law unconstitutional "for violating article 16 of the constitution" which establishes equality under the law.

The former judge said "it is a very badly-written law which will spark the multiplication of charges so that the least amount of possible suspects can be exempted from trial."

Salvi added that the aggressive attitude of human rights organizations does not benefit them in any way as "a good part of society which at some point sympathized with their ideas is now viewing them as a source of disturbance."

He specified that "there are excesses" in the organization' struggle "as shown by the name given to Lower House majority leader Cesar Jarovlasky by (Jewish Movement for Human Rights leader) Hernan Schiller," in reference to Schiller's comparison of Jarovlasky with Jewish collaborators with the Nazis during the Second World War.

But human rights organizations said "no insults will be able to stop the people's struggle to prevent the military dictatorship's crimes from going unpunished," in a joint expression of support for Schiller, who was publicly insulted by Jarovlasky on a radio programme.

GOVERNMENT-CGT WAGE NEGOTIATIONS BREAK DOWN

PY312314 Buenos Aires BUENOS AIRES HERALD in English 31 Dec 86 p 11

[Text] (NA-DYN) -- Labour Minister Hugo Barrionuevo, General Confederation of Labour (CGT) secretary-general Saul Ubaldini and Radical and opposition legislators failed to reach a political agreement yesterday on the collective wage bargaining and professional associations proposals.

The parties agreed that only a meeting between the CGT and President Raul Alfonsin could avert protest measures planned by the labour organization to press for immediate wage increases and collective wage bargaining legislation.

Also present at the meeting were Labour Secretary and Undersecretary Roberto Bigatti and Armando Caro Figueroa, CGT press secretary Guerino Andreoni, Lower House labour committee chairman Ricardo Terrile and other legislators.

Barrionuevo had earlier revealed that the government would set wage policy by presidential decree for the first quarter of 1987 in view of the delay in negotiations on labor organization had requested that an increase in the minimum wage and of the lower wage brackets be included in the wage bargaining proposal as a condition for a "social accord."

The major point of friction between the government and the CGT is connected with the "economic emergency" clause included in the collective wage bargaining bill through which the Radical administration is seeking to control wage policy for an 18-month period after the law comes into effect.

Both Alfonsin and Economy Minister Juan Sourrouille interrupted their vacations to discuss wage policy for 1987. Government sources revealed that the administration would unilaterally set the minimum and maximum percentages for wage increases during the first quarter at 2.5 and 3.5 respectively. This information was not confirmed by press time.

The CGT meets on January 8 to decide on possible protest measures which some sources regarded as imminent, although other CGT officials are awaiting the results of a meeting with Alfonsin to confirm a new "battle plan."

In other respects the CGT released a document yesterday regretting that workers "cannot receive the new year with joy" and demanding a "full stop to social injustice" from the government.

The National Statistics and Census Bureau (INDEC) yesterday reported a 9.7 percent decrease in real wages for November while industrial employment dropped by 0.3 percent in the same period. The figures for the last 12 months are 6.2 increase in real wages and a 0.3 decrease in employment according to INDEC.

LECHIN RETIRES FROM COB TO JOIN LEFTIST PARTY

PY050259 Paris AFP in Spanish 1348 GMT 3 Jan 87

[Text] La Paz, 3 Jan (AFP) -- Juan Lechin Oquendo, the legendary leader of the Bolivian Labor Confederation (COB) today announced his definitive retirement from labor union activities, adding that Victor Paz Estenssoro's administration is surviving thanks to the dollars of the drug traffickers.

Speaking to the press, Lechin Oquendo insisted that Interior Minister Fernando Barthelemy knows all the big drug dealers in the country but does not arrest them, only the small-time drug traffickers are arrested. Lechin also announced that he will leave the COB after it holds its congress scheduled for March. The veteran workers' leader said he will concentrate on the organization of a new left-wing party.

He also emphasized that he will change the acronym of his current organization, the Revolutionary Party of the Nationalist Left (PRIN), adding that the new party will seek to merge the revolutionary organizations of the country.

Lechin Oquendo said he does not plan to run for president in the 1989 elections, and that more than anything else he wants to become a sort of pivot for the currently splintered Bolivian left.

Lechin Oquendo has led the Trade Union Federation of Bolivian Mineworkers almost from the day of its establishment in 1945 and has been the top leader of the COB since its creation in April 1952.

BRIEFS

DRUG SEIZURE IN COCHABAMBA -- The antinarcotics task force operating in Chapare region, Cochabamba Department, has seized drugs and arms and has arrested three individuals in recent operations. The operations were carried out by 30 members of the task force near the village of (Senda Tres) where they seized two automatic rifles and 173 rounds of ammunition; at (Sinaota) where the task force seized 14 kg of cocaine base and one sulphuric acid container; at Villa Tunari, where they seized 100 sacks of lime, 81 10-liter containers with sulphuric acid and one "arroba" of sodium permanganate; at (Puente N), near (Senda Tres), and other places of the same district, where the task force seized 11 kg of cocaine base. [Summary] [La Paz La Red Panamericana in Spanish 1130 GMT 15 Dec 86 PY]

COCAINE TRAFFICKERS ARRESTED -- The National Dangerous Drugs Board has reported that its personnel have arrested an individual with 1 kg of cocaine base in the Villa Copacabana district of La Paz city. The board has also reported that Claudio Rojas Encina was again arrested yesterday in Chimore with 3 kg of cocaine in his possession. [Summary] [La Paz La Red Panamericana in Spanish 1700 GMT 23 Dec 86 PY]

COCA LEAVES INCINERATED -- The National Directorate for the Control of Dangerous Substances incinerated 4,500 pounds of coca leaves yesterday afternoon, estimated to be worth 8 billion Bolivian pesos. [Summary] [La Paz La Red Panamericana in Spanish 1130 GMT 30 Dec 86 PY]

FUNARO ASSESSES 1986 ECONOMIC ACHIEVEMENTS

PY021851 Brasilia Radio Nacional da Amazonia network in Portuguese 0900 GMT 2 Jan 87

[Text] Finance Minister Dilson Funaro has summed up the achievements of 1986 and the prospects for 1987. Reporter Lourival Macedo has further details on this:

[Begin Macedo recording] The remittance of smaller amounts of money abroad, limited to 5 percent of the gross domestic product [GDP] as defined last year by President Sarney, could be accepted by the creditor banks. This would make the Cruzado Plan more easily controlled because the country would experience fewer restrictions on the economy.

Funaro said the only need now is debt renegotiation, which will not be difficult if the banks which comprise the so-called Paris Club accept the report on the development of the Brazilian economy this year and the prospects for next year. The Paris Club has also accepted the Brazilian position not to admit the imposition of IMF Rules for monitoring the economy, and limited the number of visits to Brazil by IMF technicians to one per year.

The Brazilian Government can only renegotiate the reduction of the international interest. Domestically, the Cruzado plan has curbed the runaway inflation and allowed the economy to grow, regardless of the shortage of several products in the market. But this happened due to the increase in consumption by more than 30 percent.

Funaro added that taking these 2 years together, the Brazilian economy has increased by the equivalent of the Argentine GDP.

[Begin Funaro recording] The year 1986 was a positive year, during which the economy was very stable with a very low unemployment rate. The amount by which the Brazilian economy has grown over the past 2 years is equivalent to Argentina's GDP, to give you a yardstick.

I am positive that although there may be some small problems and some inflation, we must work all together to maintain the country the way we kept it in 1986.

[Reporter] It has been said that the 1986 foreign debt has stagnated. Do you think that in 1987 negotiations with the Paris Club and creditor banks will develop favorably?

[Funaro] The year 1986 was a year of intense negotiations. And 1987 will certainly be the year to implement these negotiations, especially the political negotiations conducted in 1986. So, we have a long way to go and some difficulties to overcome, difficulties with foreign negotiations. But Brazil today has adopted a completely different position regarding foreign negotiations. We are not looking for foreign adjustments which do not just imply domestic adjustments.

[Reporter] Regarding negotiations with the United States and the informatics market, have the negotiations been positive?

[Funaro] Negotiations have been very positive. There is no retaliation and the United States has postponed all actions related to informatics. The word negotiation is very important. [end recording]

AERONAUTICS CHIEF REMOVES 'OLD REGIME' HOLDOVERS

PY052052 Sao Paulo FOLHA DE SAO PAULO in Portuguese 4 Jan 86 p A5

[Text] In November 1986, Aeronautics Minister Lieutenant Brigadier Octavio Moreira Lima began implementing a plan which he has had since becoming minister in 1985: to surround himself in key posts with trusted men not identified with the "Old Republic." The method is to diplomatically and subtly replace brigadiers and colonels of the so-called "Delio's group" (officers linked to former Aeronautics Minister Delio Jardim de Mattos) from the posts which they held before Moreira Lima took over the ministry. These replacements also reveal an old political difference between the current and former aeronautics ministers.

When Moreira Lima became minister he had a strategy for his power plans in mind. Strictly following the strategic plans which he had prepared with his closest aides, the changes have to be made in a "slow and gradual" manner. This January was the deadline set for the full implementation of the plan, more precisely 5 January, when the ministries will return to their normal routine in Brasilia.

However, the Moreira Lima plan stumbled over the case of Major General Hugo de Oliveira Piva, director of the Aerospace Technical Center (CTA) in Sao Jose dos Campos, 97 kilometers northeast of Sao Paulo. The CTA is the main aerospace research institute in Latin America and is responsible for the entire Brazilian space program, as well as the development of rockets and missiles.

Moreira Lima's initial strategy to remove the CTA director was to force him to request his transfer to the reserve. When the Aeronautics High Command met last November to discuss promotions and reassignments, Piva was not considered for promotion to four-star general. This rank would have allowed him to become director of the Air Force Research and Development Department (Depede), under which the CTA operates. Instead, Major General Nelson Fish de Miranda, chief of the Rio de Janeiro Third Air Command (Third COMAR) and former Piva subordinate, was reassigned to the Depede. In cases where an officer goes from being a chief to being a subordinate, he usually requests a transfer to the reserve. In this case, however, Piva decided to stay in the CTA -- where he has been for 32 years -- for another 3 years.

Moreira Lima then opted for the creation of a new enterprise under the name of Orbita, where Piva will serve as vice president, although reluctantly. By 15 January Piva will have to transfer his post of CTA director to Major General Luiz Carlos Boavista Accioly, who is now director of the Aeronautics Materiels Department. Accioly is considered an officer trusted by Moreira Lima.

There will be other changes. Colonel Adalberto de Rezende Rocha, former chief of the Public Relations Center (Cerepa), will take over the Brasilia Air Base command, replacing Colonel Adalberto de Costa Brum, who was Cerepa chief during the Delio Jardim de Mattos tenure as aeronautics minister. Current Depede Director General Humberto Singago Fiuza will be replaced by Major General Nelson Fish de Miranda. The new Cerepa chief will be Colonel Paulo Sergio Barbosa Esteves, who began working at the center after Moreira Lima became minister.

In addition to the removal of Hugo Piva from the CTA, a department head at CTA has already been replaced: Colonel Walter Deltre, head of the Research and Development Institute (IPD), transferred his post to Colonel Jose Armando Varao Monteiro. More replacements should take place this month, but the names of those to be affected are maintained in secrecy to prevent members of "Delio's group" from exerting pressure, since the group is still very strong within the aeronautics field.

PARANA PMDB OPPOSES INVITATION TO STROESSNER

PY050215 Rio de Janeiro O GLOBO in Portuguese 4 Dec 86 p 7

[Text] Curitiba -- Luiz Claudio Romanelli, PMDB [Brazilian Democratic Mobilization Party] secretary general for Parana State, yesterday stated that his party, committed to furthering democratization in neighboring countries, could not allow Paraguayan President Alfredo Stroessner to be invited to the inauguration of Governor-elect Alvaro Dias on 15 March.

The PMDB invited Stroessner to the ceremony at which former Governor Jose Richa turned over power to his deputy Joao Eliseo. On that occasion, Stroessner's visit prompted popular protests. Romanelli said that he was sure that Stroessner would not be invited and advocated a cooling of relations with the Paraguayan Government.

BRIEFS

1986 TRADE SURPLUS -- According to the director general of the CACEX [Foreign Trade Department of the Banco do Brasil], it is estimated that Brazil will end 1986 with a trade surplus of $9.5 billion. He also predicts that Brazilian exports will increase during 1987. [Summary] [Brasilia Domestic Service in Portuguese 2100 GMT 29 Dec 86 PY]

PINOCHET SPEAKS AT ARMY ANNIVERSARY FETE

PY301424 Santiago Radio Chilena in Spanish 1600 GMT 29 Dec 86

[Relay by Eliana Henriquez from La Moneda Palace]

[Text] President Augusto Pinochet has stated that now as in the past Chile can rely on its Army. Pinochet made this statement during celebrations to mark his 50th anniversary as Army officer.

The ceremony was held in the military stadium with the participation of the first lady, recently appointed junta member General Humberto Gordon, Deputy Army Commander Lieutenant General Santiago Sinclair, the Military High Command and delegations from throughout the country. During his speech Pinochet emphasized that the Army will fulfill its duty.

[Begin Pinochet recording] Peaceful Christmas and decisive spirit. We will fulfill our duty. Now as in the past Chile can rely upon its Army. Now as in the past we are taking up the challenge imposed us by destiny and demanded by the fatherland. [end recording]

Pinochet added that a decisive stage of institutional development is now taking place and that extra efforts must be made to fulfill the objectives. He indicated that the current challenge is to implement the government projects, and strengthen the institutions and the regulations established in the 1980 Constitution which will lead to a stable democracy. Pinochet also pointed out that his life has been at the service of the Army which is the pride of the nation and of this generous land where the creator imposed upon him a mission: to save Chile and its freedom, which are the basic principles being fulfilled.

General Jorge Lucar, commander of the Military Institutions, spoke before Pinochet, reiterating to the president the Army's complete support and loyalty.

UN OBSERVER WANTS ENTRY 'AS SOON AS POSSIBLE

PY060213 Santiago Radio Chilena in Spanish 2300 GMT 5 Jan 87

[Excerpt] Fernando Volio, UN special observer for human rights in Chile, will insist that the Chilean Government allow him to enter the country as soon as possible, and not after 15 April. This was confirmed to "Primera Plana" by Maximo Pacheco, vice president of the Chilean Human Rights Commission. Pacheo disclosed this after a telephone conversation with Volio who, according to Pacheco, voiced surprise at the date set by the government.

Volio must submit his report to the UN Human Rights Commission in February, and under the current circumstances, he will have to do so without having visited the country.

Foreign Ministry spokesman Pablo Valdes stated that the ministry is analyzing the possibility of advancing the established date should Volio request it.

Moreover, Maximo Pacheco referred to the treatment that the United Nations should give the subject of human rights in Chile. Currently, this subject is handled as a special issue but the observer wants it to be included on item 12 of the UN agenda, where it would be discussed along with the situations in other countries. [passage omitted]

VICARIATE OF SOLIDARITY CONFRONTS PROSECUTOR

PY311424 Paris AFP in Spanish 2239 GMT 30 Dec 86

[Excerpt] Santiago, 30 Dec (AFP) -- The Chilean Catholic Church Vicariate of Solidarity today began an open confrontation against Military Prosecutor Fernando Torres, who is investigating the recent attack on President Augusto Pinochet and other subversive actions.

The head of the Vicariate of Solidarity, Monsignor Santiago Tapia, has stated in a communique that it is hypocrisy to try to involve the Vicariate of Solidarity in terrorist actions and to say at the same time that the church should not be attacked.

Torres has called Santiago Auxiliary Bishop Monsignor Sergio Valech and Vicar Msgr Tapia to testify regarding the protection which church lawyers and doctors have reportedly given to subversives who participate in confrontations with military government agents. Moreover, 2 weeks ago the military prosecutor ordered the arrest of Dr Ramiro Olivares, whom he accused of sending wounded patients from those confrontations to clandestine clinics.

Neither the auxiliary bishop nor anyone of the vicariate are involved with terrorism, except for the fact that they have repeatedly condemned it, Msgr Tapia's communique states. The communique adds that neither Dr. Ramiro Olviares nor and other doctor of the vicariate has ever sent a patient to a clandestine clinic. [passage omitted]

CLANDESTINE CLINIC SUSPECTS GO TO COURT

PY031340 Santiago Radio Chilena in Spanish 2200 GMT 2 Jan 87

[Text] Physicians of the Forensic Institute will examine the seven individuals who were arrested by the National Intelligence Center in connection with the discovery of an alleged clandestine clinic. This information was provided by relatives of the arrested individuals, who this afternoon were taken to the Judge Advocate Office.

The brother-in-law of Dr Alejandro Aravena, Magallanes Namia, told Radio Chilena that the arrested individuals were taken at about 1300 [1600 GMT] to the Judge Advocate Office and most of them were in poor physical condition. He said that some of them had to be aided by police personnel to walk from the police van to the entrance of the Judge Advocate Office. Alejandro Aravena and his Fiancee Gina Cerda were arrested at a house on Piacenza Street, Las Condes Community, where a clandestine clinic was allegedly operating to provide medical care to members of the terrorist command injured during the 7 September attack on President Pinochet.

The other individuals were arrested in different areas of Santiago: Dr Manuel (Ubilla), Rodolfo Milo Villagran, Patricia Garreros, Luis Melo Mendoza, and Carlos (Fino) Molina. They have all been held since 17 [month not given] at CNI headquarters on Borgono Street.

An International Red Cross physician, who was allowed to see the prisoners twice, has recommended that at least two of them be hospitalized because they require medical treatment for serious injuries sustained during beatings.

TEXT OF PRESIDENT BARCO'S NEW YEAR'S SPEECH

PA020430 Bogota Inravision Television Cadena 1 in Spanish 0100 GMT 2 Jan 86

[President Virgilio Barco Vargas' New Year's speech to the nation -- live or recorded]

[Text] The year 1986 will go down in the history of our country with special significance because it has allowed the consolidation of democratic values that are indispensable in the achievement of progress and reconciliation. A campaign of overt confrontation between party platforms resulted in peaceful elections, but the country made a clear decision about the most adequate government program necessary to overcome one of the most serious economic, social, and political crises the nation has ever suffered. The proposals presented by the Liberal Party regarding the reestablishment of democratic flexibility, the implementation of a socialist economic regime, and the start of a definite struggle against the scourge of absolute poverty received the largest number of votes ever registered. There was no doubt about the direction chosen by Colombians. The absence of members of other parties in the ministries and governorships has not been a result of exclusion or sectarianism, and neither has it result of exclusion or sectarianism, and neither has it resulted in the partisan violence that some skeptics were quick to forecast.

The prudent but firm objective of guaranteeing to the voters that their votes are clearly significant has been well accepted by the country. The national congress, being able to fulfill its duties with full autonomy, has once again become the scenario of political controversy, which must enrich every public action or decision.

In the last quarter of this year, Colombians have clearly shown that their political maturity made the existing limitations unnecessary in the expression of their will in a democratic way during elections. Moreover, discontent and disagreement are beginning to find responsible spokesman. In this new era of national life, it is the privilege of the traditional parties to perfect the democratic system, and those new parties that have accepted the democratic rules must struggle without violence to reach power. An opposition that maintains its loyalty to public interests contributes to the indispensable tasks of control and criticism so necessary to preserve and increase the efficiency and morale of public administration.

The existence of this new political regime is far better than any other alternative ever proposed or surmounted to confront the great difficulties with which our country lives today.

Another and quite different matter is that of the enemies of social organization. During the past few months they have increased their criminal activities, which have found victims not only in illustrious members of society but also in hundreds of soldiers, peasants, and peaceful working people. The government has had to act with diligence and firmness in the repression of crime, particularly that of drug trafficking. In this activity, it has received the general support of the entire country and it continues to receive this support for the exceptional measures it is taking after the heinous murder of one of the most respected leaders of the country.

The remembrance of Don Guillermo Cano's noble spirit and the analysis of the values defended by the tribune of opinion he made great have made us more certain of our constitutional duty of safeguarding the human rights of all Colombians.

My government is absolutely committed to the task of bringing peace back to the country, and that is why it has made decisions and taken actions to combat crime and organized deliquency. The methods for the prevention and punishment of crimes will continue to be improved each day, using the entire juridical and economic resources of the state. It will act in all instances within the strict legal framework established by the constitution. The country will not fall into the hands of the violent. I am sure of this because the government has the patriotic support of public opinion. It is with satisfaction that I perceive the country's understanding regarding the strategy for rehabilitation as a means to achieve normalization and reconciliation in ample zones of our territory where subversion of armed organizations still persists. The state must commit itself, as it has been doing, before the affected communities, to solve their basic problems and necessities so that confidence in civilian and legally constituted authorities returns. Therefore, the government set in motion, through the 1987 budget, its ambitious program to integrate regions and communities that have been forgotten for so long.

Owing to the implementation of the new tax law, many wage earners will not be subject to withholding at the source. They will be able to earmark these resources for consumption and savings. This relief and the lowering of tariffs, which especially benefit the middle classes, will no doubt contribute to increasing the demand for goods and to increasing production and jobs.

Moreover, business has received incentives to increase their capital thanks to the elimination of double taxation. Thus, we are promoting investments to expand new productive projects so as to improve conditions that generate jobs. The country is starting to notice clear signs of economic recovery. These must be translated into welfare and progress for the entire nation, especially for those who until now have not received the benefits that stem from economic activities.

Production has surpassed the figures reported in the eighties. In the past 3 months, over 125,000 people have joined the labor force in the country's four major cities. The fact that economic tendencies at the end of the year are frankly favorable reflect the people's trust in the future of the nation.

Beginning in 1971, the pace of price increases has accelerated. This situation brought greater poverty to the lower classes. Now at the end of 1986, the cost of living increases are lower than in 1985. We recently had to readjust the price of fuels to avoid indiscriminate subsidies to the detriment of the resources which the country needs for programs to help the neediest. The increase was staggered according to the purpose for which each fuel is used. The government allowed the increase after determining that its impact on the price of essential goods would be limited and could be controlled.

Consumers can also help the government to curb hoarding. I have instructed all authorities to step up a watch on prices and to avoid and sanction hoarding. At present, the high pace of production, deterrents on hoarding, and controls set by the government let one predict that there will not be the price increases that some people are attempting to impose.

In addition, to protect the family budget, the government will make all employers, especially in the agricultural and service sectors, pay the minimum wages and subscribe to the social security and compensation institutions. The government will strictly curb practices affecting stability on the job which some businessmen employ to avoid paying the social payments mandated by the law. The nationwide antipoverty plan which the government began at the end of December, after the 1987 budget was approved, will enable economic activities to fulfill two basic social functions: to generate stable and adequately paid jobs and to meet the essential needs of all the people. The government has redirected expenditures and public credit. It has sought new resources, such as the resources originating from the use of part of the coffee and oil surpluses. Moreover, the government intends to take advantage of new foreign and domestic sources of credit.

The antipoverty plan includes five specific programs: rehabilitation and building of urban and rural settlements; basic health for all; providing basic goods; improving the home; and basic education for all. I shall personally direct the implementation of this social growth program, the most far-reaching plan ever undertaken in the country. In this regard, I have set up a new advisory office in the Presidency and have entrusted specific duties to ministers, heads of administrative departments, governors, intendants, commissioners, and mayors. Projects to rehabilitate all low-income neighborhoods will be stepped up within the framework of the pressing need to obtain immediate results that will promote generating jobs and increasing the income of the poorest. The neighborhoods will have public services, paved roads, schools, health and police centers, recreational areas, public squares, and community centers. There will be projects to prevent landslides and flooding. The large number of new jobs to be generated as a result of these projects as well as others implemented by government agencies will be channeled through the SENA [National Apprenticeship Service] and will be for the heads of families living in the neighborhoods where the projects are undertaken.

The change we promised to make is under way. It will not stop because of the intimidation of violent people and the apathy of incredulous people. Millions of Colombians trust that we will rebuild the nation. They will not be disappointed. We are working for and with them. Our political foundations are defined, clear, and growing.

Compatriots, we are building a future of progress and coexistence that constitutes real peace and that is beginning to be part of the history of our era. We will not stop for an instant in the endeavor to achieve change that my administration has undertaken to fulfill the aspirations of all Colombians. I hope the best for the personal welfare of each one of you and your families in 1987. I admit that I am pleased by the cooperation and solidarity I have received during the months which this government has been in office. Good night, and so long.

CORRECTION TO BARCO SPEECH TO NARCOTICS COUNCIL

The following correction pertains to the item headlined "Barco Speaks at Installation of Narcotics Council," published in the 23 December Latin America DAILY REPORT, page F 1:

Make sourceline read: PA230402 Bogota Inravision Television Cadena 2 in Spanish 0000 GMT 23 Dec 86. (changing name of source)

REACTION TO REMOVAL OF U.S. TAX EXEMPTION

Foreign Minister Scores U.S.

PY052156 Asuncion ULTIMA HORA in Spanish 5 Jan 87 p 13

[Text] When asked about the economic sanctions imposed by the United States against Paraguay "for violating basic labor rights," Foreign Minister Carlos Augusto Saldivar charged the U.S. Government with continuing to impose a protectionist system in its relations with other countries. The minister said that "the general preferential treatment system applied by the U.S. Government is renewed at the end of each U.S. fiscal year. The U.S. Government is influenced by the opinion of labor unions, mainly opinions of an economic nature. Its policy is based on protectionism, which has been a characteristic of all U.S. administrations. This protectionism obviously harms not only Paraguay but all Latin American countries."

Minister Saldivar went on to say: "We joined the Latin American Economic System (AELA) especially so that, with the cooperation and coordination of all Latin American countries, we could defend the Latin American People -- in our case the Paraguayan people -- from this type of protectionist measures." The foreign minister insisted that "this is a protectionist measure that has been a tradition in U.S. foreign policy. The industry and commerce minister can supply the necessary data to show how harmful this protectionism will be to the economy.

The foreign minister and Industry and Commerce Minister Delfin Ugarte Centurion today met at Government House with President Alfredo Stroessner to discuss the subject and others related to international meetings which Paraguayan delegations will attend.

Minister Plays Down Measure

PY052329 Asuncion ULTIMA HORA in Spanish 5 Jan 87 p 13

[Excerpt] [Passage omitted] Industry and Commerce Minister Delfin Ugarte Centurion in referring to the U.S. economic sanctions applied to our country, stated that the General Preferential Treatment System includes many products that Paraguay exports, but in practice, only handicraft goods, especially leather goods, semimanufactured leather goods, are exported to the United States. The export of these goods last year amounted to approximately $1 million.

The minister went on to explain: "Looking at statistics, we notice that exports of these goods has dropped because in 1984 they amounted to $3.6 million, in 1985 to $1.8 million, and in 1986 they did not even amount to $1 million."

Minister Ugarte Centurion tried to play down the measure officially announced by the U.S. Government against Paraguay.

He said: "Naturally, from the economic point of view, the implementation of this measure, which entails lifting a tax exemption on the order of 5 to 7 percent, does not have an important effect."

He was also asked whether with this measure Paraguay could continue to sell products to the U.S. market despite the disadvantage, since other exporting countries still enjoy the advantages of the general preferential treatment system. Ugarte answered: "Paraguay can export; all goods will continue to be exported; the only difference is that they will have to pay a tax of 5 to 7 percent. This does not affect the export of shoes, or clothing, which are becoming important items on our list of exports."

Jacquet Assails Action

PY052333 Asuncion ULTIMA HORA in Spanish 5 Jan 87 p 13

[Text] "This measure confirms a black treason against the interests of the Paraguayan workers, businessmen, and banking system. These interests have been generated and promoted by those who claim to be unionists and who should have made an effort to support the national workers." Justice and Labor Minister J. Eugenio Jacquet made this comment to ULTIMA HORA about the U.S. decision to suspend the Generalized System of Preferential Tariffs, which had been granted to Paraguay for the export of its products to the U.S. market.

Jacquet stated: "We have been denouncing this situation for a long time because a number of personalities who have raised themselves to the status of false unionists have been using dirty and false methods to distort the national situation in the trade union field. Of course, the U.S. Government reached this unfortunate decision as a compromise with certain sectors of the U.S. union system. It is against the interests of the workers and businessmen."

Regarding the reason for this measure, the justice and labor minister stated: "The justification they give is absolutely false, because obviously -- and this is well know by all -- the real Paraguayan unionists are acting daily with absolute freedom of expression and action as far as the union sector is concerned. But obviously, the false unionists also seek and resort to political methods in order to sully the government's good name, because this is their true objective. And this is what they are doing. They are doing this in the national and international fields. We are receiving all sorts of 'yellow' statements."

Editorial Denounces U.S.

PY051526 Asuncion HOY in Spanish 5 Jan 87 p 10

[Editorial "signed" by HDD (Humberto Dominguez-Dibb, proprietor of HOY): "True Sanctions for the United States"]

[Text] One of the juridical norms which guarantees coexistence among the nations of the world is the principle of nonintervention in the internal affairs of other countries, together with respect for the people's self-determination.

Throughout history, we have seen deplorable cases in which imperialist-prone governments, relying on their military and economic power, have trampled upon these principles and have tried to defile the honor of other countries.

This century has seen numerous cases in which the United States, safeguarding its selfish interests, has crossed the limits of non-intervention and has hurt the people of less powerful countries. It should be understood that this is exactly how the United States applied economic sanctions a few days ago to our country because of internal problems.

The United States mentions labor problems, and I ask: How many undocumented immigrants -- be they Puerto Ricans, Mexicans, Panamanians, Argentines, or Paraguayans -- are at this time working and producing for the benefit of the United States, but are not protected by that country's boasted labor privileges? The Americans cannot say that they are unaware of this situation. They simply close their eyes and consent to the exploitation of human beings, just because in this way their economic might is strengthened. In these cases, the Americans give little importance to labor rights.

The United States sanctions a country which deserves the world's respect because it respects the world. Instead, why do the Americans not straighten out their internal problems? Perhaps if they succeeded in doing so, they would be in a position to dictate rules of conduct to the world. Up to now, those rules are dictated only through military and economic power. We do not have such power, but we have the pride of being Paraguayan.

I ask: How is the United States going to solve the Irangate in which it is now involved? With its professed intent of enforcing respect for human rights, how will the United States justify the fact that it is selling arms and giving logistic support for the killing of human beings on one side and the other? This is indeed a serious fault that must be justly rectified. This is why President Reagan has practically been sanctioned by Congress. The United States had a Watergate once, and it now has a Irangate. Why do the Americans not try to solve their problems as Americans and leave us to solve our problems as Paraguayans?

COLORADO PARTY 'ETHICAL GROUP' LEADER DETAINED

PY311420 Asuncion EL DIARIO in Spanish 31 Dec 86 p 10

[Text] Juan Francisco Elizeche has reported to this newspaper the detention of Dr. Ruben Dario Fretes Cubillas, leader of the San Lorenzo Colorado Party precinct, who had worked for the ticket headed by Gaona [not further identified]. Former Police Chief Fretes Cubillas was detained yesterday by police agents of the San Lorenzo police station. He was later taken to the police central headquarters where he is now being held.

Asked about the reasons for his detention, the Central Police Headquarters officer on duty stated that he could not say anything on the case. Sources of the Central Police Public Relations Department have reported that they could neither confirm nor deny the report made by Elizeche. Fretes Cubillas and other leaders of the Colorado Party "ethical group" were also detained this month for a period of some 3 hours.

GARCIA TO VISIT NICARAGUA, INDIA IN JANUARY

PY051404 Lima Panamericana Television Network in Spanish 0355 GMT 4 Jan 87

[Message delivered by Peruvian Foreign Minister Allan Wagner on 3 January at the Peruvian Foreign Ministry -- recorded]

[Excerpts] President Alan Garcia will request Congressional authorization to travel to Managua, Nicaragua on 9 January where he will attend the swearing of the new Nicaraguan constitution.

This trip strives to express the solidarity of the Peruvian Government and its people with the Nicaraguan people's struggle to achieve their self-determination and the establishment of a democracy with social justice based on the Latin American and anti-imperialistic ideals upheld by Julio Cesar Sandino, a martyr of the Americas who struggled against foreign intervention, which is today again threatening Nicaragua through the support which counterrevolutionary forces are obtaining. [passage omitted]

I would also like to confirm that President Garcia will pay an official visit to India by the end of January in response to an invitation extended by Indian Prime Minister Rajiv Gandhi. President Garcia has been invited to attend India's independence day ceremonies on 26 January. This will be the first time ever that a Peruvian president will make an official visit to India. It is, therefore, a landmark in the relations between Peru and India which is undoubtedly the most important of all developing countries because of its extraordinary size, potential and the influence which it enjoys at the international level.

ARMED FORCES ANNOUNCE PROMOTIONS, RETIREMENTS

PY031426 Paris AFP in Spanish 1816 GMT 2 Jan 87

[Text] Lima, 2 Jan (AFP) -- The new chairman of the Armed Forces Joint Command, Admiral Juan Soria Diaz, who is replacing General Guillermo Monzon Arrunategui, was sworn in today.

In a ceremony at Government Palace, which was presided over by President Alan Garcia, the high-ranking chief of the Peruvian Navy took over the post previously held by Gen Monzon Arrunategui, who was placed on the retired list of last 31 December.

At another military ceremony presided over by the new Army Commander, General Enrique Lopez Albujar, General Raziel Bamberger Miranda was installed today as chief of the Peruvian Army Staff. Gen Lopez Albujar replaced Gen Monzon Arrunategui as Army Commander. Gen Monzon Arrunategui has completed his military career.

These promotions and retirements occur routinely at the end of every year.

DECREE EXTENDS STATE OF EMERGENCY IN LIMA, CALLAO

PY271928 Madrid EFE in Spanish 1720 GMT 27 Dec 86

[Text] Lima, 27 Dec (EFE) -- The Peruvian Government has extended for 30 days the state of emergency in the city of Lima and the port of Callao. This state of emergency has been in effect since February 1986.

According to the decree published today by the official gazzette, EL PERUANO, the state of emergency was extended because "the acts of violence continue in the province of Lima and the constitutional province of Callao."

The state of emergency suspends individual guarantees and authorizes the Armed Forces to exert internal control in these provinces. A curfew has also been in effect in Lima and Callao since February 1986. The curfew is in effect between 0100 and 0500 in the morning.

On 29 November the Peruvian Government extended the state of emergency for 60 days in 20 provinces of the country in the departments of Ayacucho, Huancavelica, Apurimac, in the southern part of the country, and in Huanuco, in the north.

The state of emergency affects approximately 50 percent of the Peruvian population, which amounts to some 20 million inhabitants.

TERRORISTS ATTACK LIMA ELECTORAL BOARD, TOWN HALL

PY312122 Madrid EFE in Spanish 1445 GMT 31 Dec 86

[Text] Lima, 31 Dec (EFE) -- One person was killed this morning in a shootout with the police as a car-bomb attack was being perpetrated on the offices of the Lima Provincial Electoral Board. The car bomb exploded at 0600 as a terrorist group was attacking the police guarding the offices of the electoral board. The car bomb was intended to divert the attention of the guards.

Marcos Rueda, who began shooting at the police when they ordered him to halt, was killed.

The explosion of the car bomb caused serious damage to the 8 nearby houses, shattering windows and breaking doors. No victims were reported.

Another attack was perpetrated at the same time against the town hall in the Chorrillos district of Lima. The damage was considerable, said Chorrillos Mayor Pablo Gutierrez. Gutierrez said that no victims were reported, but that the origin of the attack should be investigated. The mayor refused to abandon the town hall. This caused some incidents with the police, who tried to force him to leave the building and accused him of exciting the people when neighbors supporting Gutierrez showed up to protest the attack.

Police Capture MRTA Terrorists

PY051330 Paris AFP in Spanish 2340 GMT 2 Jan 87

[Text] Lima, 2 Jan (AFP) -- The police have announced that four members of the MRTA [Tupac Amaru Revolutionary Movement] were captured today in different Lima districts. According to the police, two of these subversives had apparently prepared the car bomb containing 10 kg of dynamite which exploded in front of the Lima Province Electoral Court on 31 December. These two terrorists, identified as Alberto Ramirez and Pompeyo Angeles, were arrested in the port of Callao. Two other alleged MRTA members, identified as Miguel Gutierrez and Alfonso Ascencio, were arrested after a shootout with the police in the San Martin de Porras district, north of Lima. The police said that they had participated in many bomb attacks.

INTERIOR MINISTER EVALUATES 1986 EVENTS

PY301254 Montevideo Radio Carve in Spanish 0000 GMT 30 Dec 86

[Text] Interior Minister Antonio Marchesano said that following a period of controversy we must evaluate the government's accomplishments. He said this while evaluating the events of 1986.

[Begin Marchesano recording] I say that 1986 must be evaluated in many ways, some of which do not fall under the responsibility of my ministry. I believe that the country is rapidly improving. We have made progress in the economy, employment, exports, and finance. This has political ramifications because economic reactivation will, sooner or later, benefit the population. Politically, I say that this year culminated in doubts and problems regarding the nation's pacification. This was the result of government proposals made mid-year and implemented toward the year's end. I believe this is very important because once aroused passions have been placated, we can begin to evaluate the decisions we have made. The country will be able to look back without seeing ghosts from the past. It will be able to look to a future where compromise is possible. Our nation has also achieved institutional consolidation and the return to normal functioning of the institutions.

Furthermore, I believe that the pacification law has several aspects which should be noted; namely, provisions for the future Military Organization Law; the political decision which clearly spelled out that the executive branch, the government of the Republic, and, above all, the constitutional authorities must recover their authority to intervene in the management of all military sectors, especially regarding the appointment of the Secretaries General. This was a subject on which the decision was postponed, and which Congress has only recently resolved. I believe that we are in position to say that to a great extent, a long and difficult transition period has ended. Now we can serenely look forward, making an in-depth analysis of the future -- which I believe all parties will make -- and we finally realize that we have completed a stage, that we have overcome a difficulty, and that we will continue to progress.

The country had to recover from more than 12 years of problems which [words indistinct]. All of us, in some way, were involved in those difficult years, whether by what was done or by what was not done. If you look at the list of police personnel, you will find that many of them were in service during those past 12 years. The same applies to the list of judges. I believe that what is important for the country is not to identify those people, but to change their outlook. This includes a change in mentality which abandons the shortsighted views, and looks over the horizon to the country's future development, it includes looking at 1987 as a year of transformation, a year in which we must make progress in areas in which the country has pending problems. [end recording]

These remarks have just been made by Interior Minister Antonio Marchesano.

UK'S HOWE ARRIVES; VISIT ITINERARY OUTLINED

PA040242 Paris AFP in Spanish 0224 GMT 4 Jan 87

[Text] Mexico City, 3 Jan (AFP) — Geoffrey Howe, UK secretary of foreign affairs, arrived tonight for a 2-day visit, during which he will meet with President Miguel de la Madrid.

Howe, who will carry out private activities this Sunday (including a visit to the Anthropological Museum), arrived from the Colombian port of Cartagena.

In addition to his meeting with De la Madrid, Howe will meet Monday with the energy, commerce, finance, and foreign affairs ministers, Alfredo del Mazo, Hector Hernandez, Gustavo Petricioli, and Bernardo Sepulveda, respectively.

He will also meet with Miguel Mancera, director of the Central Bank.

Holds News Conference

FL060502 Mexico City NOTIMEX in Spanish 0249 GMT 6 Jan 87

[Text] Mexico City, 5 Jan (NOTIMEX) -- The sovereignty of the Malvinas Islands is not subject to negotiation, said Sir Geoffrey Howe, British secretary of state for foreign and EEC [as received] affairs, during a news conference.

Nevertheless, he said that Great Britain is willing to negotiate any time, any place, to improve its relations with Argentina.

He said it would be beneficial to discuss trade topics as well as hold diplomatic, consular, and financial negotiations, and other topics, such as family visits between both countries.

Howe said England is willing to strengthen political dialogue and economic ties, which would allow the expansion of 200 co-investment enterprises that currently operate in Mexico.

In reference to his upcoming meeting with U.S. Secretary of State George Shultz, Howe said Great Britain does not wish to initiate a foreign trade war.

He said he would insist in his meeting with Shultz that the United States eliminate the tariffs that would create trade protectionism, which become effective at the end of the month. Nevertheless, he said if the United States does not change its attitude, they will have to take practical measures about the presence of British troops in the Malvinas Islands, he said this is in compliance with his country's wish to support the residents.

Since Mexico and Great Britain are oil producers and not OPEC members, he said, the topic of hydrocarbon prices was obligatory. He said they could not reach a concrete agreement with Mexican authorities on increased international oil prices.

In his conversations with Foreign Secretary Bernardo Sepulveda Amor, he said he referred to the actions of the Contadora and Support Groups and he reiterated his satisfaction with the efforts the two groups are carrying out to achieve peace in Central America.

In reference to the problem of apartheid in South Africa, he said that Great Britain rejects the South African Government's position.

This morning Howe met with Mexican President Miguel de la Madrid and later with the secretaries of finance, trade, energy and mines, and Foreign Secretary Sepulveda Amor.

SENATE STATEMENT REJECTS 'HEGEMONIC PRESSURE'

FL051933 Mexico City NOTIMEX in Spanish 0048 GMT 31 Dec 86

[Text] Mexico City, 30 Dec (NOTIMEX) -- The Mexico Senate will continue to take a combative stance against all forms of hegemonic pressure or systematic slanderous and ill-intentioned campaigns that seek to discredit Mexican institutions and that vainly attempt to undermine Mexico's prominence and authority in the world.

Expressing its support for the present government's foreign policy, the Senate made the above remarks in a 142-page document in which it examines all aspects of foreign policy, from relations with the United States, Latin America, and the Pacific Basin, to drug trafficking, migratory workers, GATT membership, and the foreign debt, among others.

The Senate document, read at the formal closing of the regular period of sessions, notes that no country that has any self-respect and professes to respect its traditions, history, and institutions, can practice a cynical foreign policy toward those countries that try to make force prevail. Morality and ethics in foreign relations are a patrimony of nations, it stresses.

The Senate unhestitatingly backs, supports, and endorses the foreign policy that the president of the Republic is resolutely pursuing, because it has given Mexico, in the course of time and through its role, a strong presence in the international community and an indisputable moral character that is acknowledged in all organizations and forums.

This stand could in no way be construed as hostile, unfriendly, or irresponsible. The differences of opinion that stem from different interests, priorities, and, in all cases, social realities, should be viewed as manifestations of our people's democratic avocation which should be exercised in both the national and foreign spheres, the document states.

Mexico has endeavored to meet its credit obligations but rejects any attempt at usury or financial manipulation that might restrict or condition its future, the Senate warns.

The Senate, it says, is closely following the evolution of the policy to service the foreign debt which, it maintains, must not impede the economic and social development of nations.

The document notes that 1986 was a very complex year, but that Mexico kept its commitment to convey in the various forums and negotiations a firm and determined position in favor of peace and disarmament, with a view to achieving a system of international cooperation for development.

Our government, it indicates, is determined to diversify its foreign relations, but their extension and diversification should not be seen as a substitution for Mexico's current ties, the document points out.

It says that diversified relations are simply complementary and make us richer in the consolidation of the country's capacity to reach higher economic development levels and to augment its negotiating power without subordinating it in any way.

The document states that in 1986 Mexico ratified its nonaligned policy, and makes special mention of the efforts to make a multipolar and democratic system viable in which the developing community may have access to international decision-making that in one way or another affects the lives of their people.

Referring to the situation in Central America, the document notes that a conflict has grown alarmingly south of Mexico's border which threatens to extend inevitably. The Senate warns that its exacerbation endangers national security. It deplores that its protagonists do not appear to have the necessary political will to find a peaceful and just solution.

The Senate reasserts that what would suit Mexico and Central America best would be the prompt solution by peaceful and negotiated means to the difficulties among sister nations of the Central American isthmus.

That is why it believes that informal negotiation mechanisms such as the Contadora Group and its Support Group, or regional and international organizations that deal with problems among states, such as the United Nations and the Organization of American States, are valid and useful forums to establish conditions that would make peaceful and fair coexistence possible.

The Senate recognizes and confirms the relevance that the continuation of the efforts of these groups has for Mexico.

As concerns Latin America, the Senate states that in view of the real danger that the economic crisis may spill over to all countries of the region, these nations must confront the situation in such a way that they utilize all their resources rationally. In this connection, it declares that Mexico has increased its political and economic cooperation with these nations.

The Senate recommended that the problem of migrant workers be handled through adequate mechanisms to protect the human and labor rights of the workers. The Simpson-Rodino reforms to U.S. immigration legislation are a unilateral solution, and hence the Mexican Senate considers that this problem should be broached through the participation of the governments whose citizens are affected.

The document states that international affairs were generally characterized this year by a return to bipolarity and power practices. Mexico's foreign policy takes place in a situation dominated by the very complexity of international relations: regional conflicts, an economic crisis, and, unfortunately, a persistent and malicious campaign of slander against Mexico and its institutions.

Lastly, it indicates that Mexico is a country defined by its political Constitution, its history, and the specific manifestations of its foreign policy. Ideology is not transmitted through friendly relations, through contagion. We are what the people want us to be as a nation, concludes the document signed by the members of the Senate Foreign Affairs Committee and unanimously approved at the last session of the year.

A report on the laws and decrees passed during the second year of the 53d legislature was read at the session, presided over by Senator Gonzalo Martinez Corbala.

Deputy Angel Sergio Guerrero Mier, representing colegislator, participated in the closing session and highlighted the deep and intensive activity that has translated into stronger and more perfect juridical, political, and economic structures on which the country's institutions are founded.

Senator Martinez Corbala, the December chairman, said that the Senate's legislative work was characterized by a firm determination and patriotism. Martinez Corbala declared the session closed and cited the closing session of the general Congress in the Chamber of Deputies.

BRIEFS

PERMANENT COMMISSION LEADERS ELECTED -- Mexico, 30 Dec (NOTIMEX) -- Upon inaugurating the permanent commission of the Congress, Senators Antonio Riva Palacio Lopez and Salvador Neme Castillo were elected president and vice president of that body. During the session, held in the Legislators of the Republic Hall in the San Lazaro Palace, Senators Jaime Baeza Rodriguez and Guadalupe Gomez Maganda and Deputies Mario Murillo Morales and Andres Zavala were appointed secretaries. [Excerpt] [Mexico City NOTIMEX in Spanish 0320 GMT 31 Dec 86 FL]

SINALOA GOVERNOR INAUGURATED -- Culiacan, Mexico, 31 Dec (NOTIMEX) -- Upon assuming the governorship of the western state of Sinaloa, Francisco Labastida Ochoa called on residents to promote the social pact, which is expressed in laws and programs and defines responsibilities. President Miguel de la Madrid Hurtado attended the change of government in the state. Labastida Ochoa, who was secretary of energy, mines and parastate industry during the first years of the present regime, said the social pact is based on De la Madrid's decision to decentralize the nation and revitalize federalism. [Excerpts] [Mexico City NOTIMEX in Spanish 0320 GMT 31 Dec 86 FL]

OFFICIAL RULES OUT LENIENCY FOR U.S. DEFENDANTS

PA300455 Paris AFP in Spanish 2349 GMT 29 Dec 86

[Text] Panama City, 29 Dec (AFP) -- Panamanian Attorney General Carlos Villalaz has ordered the nation's prosecutors to forgo all "considerations and benevolence" in the cases of U.S. citizens charged with rape, robbery, homicide, drug trafficking, and crimes against state security.

The directive, presented at the assembly on Saturday, seeks to avoid the misuse of this provision -- contemplated in the 1977 canal treaties -- by either U.S. civilians employed by the Panama Canal Commission or soldiers on active duty.

Villalaz said that the abuse of "considerations and benevolence" has been discovered and that as of this date he recommends that all prosecutors interpret the teaties and consider all pertinent cases together with the Foreign Ministry.

Villalaz has said that this decision has elicited "weak diplomatic protests." He added that, however, Panama is exercising its sovereign rights and defending its jurisdiction.

PRT CRITICIZES U.S.- DEFENSE FORCES MANEUVERS

PA021425 Panama City EXTRA in Spanish 2 Jan 87 pp 1, 11

[Text] The Revolutionary Party of Workers (PRT) has issued a lengthy communique stating that on repeated occasions it has reported the harmful aspects of the Torrijos-Carter Treaties signed in 1977.

According to the PRT, since those treaties took effect on 1 October 1979, "each year, usually in January, joint military maneuvers have been held by the Panamanian Defense forces (the former National Guard) and the U.S. Armed Forces under the pretext of protecting the Panama Canal." It was not by chance, the PRT communique added, that military maneuvers were staged on 9 January 1985 in the Azuero Peninsula (Herrera and Los Santos Provinces), on January 1986 in Colon Province, and that joint maneuvers will be held in Chiriqui Province in January 1987.

The PRT sid the maneuvers trample the patriotic and nationalist conscience of the Panamanian martyrs and patriots who throughout the country's history have protested the U.S. intervention in Panama's internal affairs. [quotation mark as published]

"We denounce," the communique added, "the significance of the military alliance between the U.S. Army and the Defense Forces because it could frustrate the few virtues of the Torrijos-Carter Treaties, which stipulate that Panama will obtain full jurisdictional control over the Panama Canal in the year 2000."

"This dangerous military alliance, which entails the subordination of the Defense Forces, contradicts the alleged or proclaimed subregional foreign policy of Panama because we form a part, along with Mexico, Colombia, and Venezuela, of the Contadora Group, which is carrying out peace efforts."

COSTA RICA

AREA COUNTRIES OWE $427 MILLION TO NATION

PA051600 San Jose Radio Reloj in Spanish 1200 GMT 5 Jan 87

[Text] Central America owes Costa Rica more than $400 million. Nicaragua alone owes $300 million to Costa Rica as a result of commercial operations. The 4 Central American nations owe Costa Rica a total of $427 million.

According to what Antonio Burges, economy, industry, and commerce deputy minister, has stated, because Nicaragua has a large debt and there is no noticeable sign that it is planning to make payments on it, bilateral trade between Costa Rica and Nicaragua has been taking place in the form of barter since the beginning of 1987.

Guatemala owes Costa Rica $54 million; El Salvador owes $44 million; and Honduras owes $29.5 million, the official said.

He said that despite the large debts, it has been possible to maintain trade and that by the end of the year, trade amounted to approximately $100 million [words indistinct] reached during the first semester.

Costa Rica's trade with the rest of Central America amounted to more than $100 million, and it will be difficult to do better than this in 1987 considering the deterioration of relations on the isthmus.

Trade with Honduras remains open but at the end of the year the Honduran Government renounced its commercial treaty with Costa Rica in an effort to force the Costa Rican Government to expand the list of trade products, especially textiles, Antonio Burges said.

However, it is expected that in the next few weeks there will be negotiations to resolve this situation.

Trade with Guatemala had a balance that favored Guatemala by $18 million, but it is possible that this balance will improve for Costa Rica this year. The balance with El Salvador was positive by $4 million for Costa Rica. The trade balance with Panama closed this past year with a favorable balance of $19 million for Costa Rica, the official stated.

ARIAS RULES OUT NONALIGNED MOVEMENT MEMBERSHIP

PA011820 Paris AFP in Spanish 1521 GMT 1 Jan 87

[Text] San Jose, 1 Jan -- (AFP) -- President Oscar Arias Sanchez today announced that Costa Rica has ruled out the possibility of becoming an active member of the Nonaligned Movement.

The possibility has been brought up by Foreign Minister Rodrigo Madrigal in September after the Harare summit, where the socialist bloc's influence on that movement was questioned.

The Costa Rican president today said that his country's entrance into the Nonaligned Movement might open "an unnecessary debate and controversy" that would threaten national unity at a time when consensus is needed to face the most pressing problems.

For this reason, Arias indicate that even though integration can be positive for Costa Rica's foreign policy, he "would rather postpone that decision" during his 4-year term.

Costa Rica's participation in the nonaligned, even as an observer, was rejected by the country's conservative circles and press which believe that the movement is under the control of the Soviet bloc.

AVIATION AUTHORITIES CLOSE 30 LANDING STRIPS

PA221251 San Jose LA PRENSA LIBRE in Spanish 16 Dec 86 p 4

[Excerpt] Civil Aviation Director Carlos Viquez has stated that the Aviation Directorate has ordered the closure of 30 landing strips so far this year.

Approximately 30 landing strips have been closed, Director Viquez stated, referring to the activities which have been carried out to control airports which show evidence of possible links to contraband and drug trafficking. [passage omitted]

EL SALVADOR

COPREFA LISTS FMLN CASUALTIES FOR DECEMBER

PA052150 San Salvador Radio Cadena YSKL in Spanish 1600 GMT 5 Jan 87

[Coprefa report]

[Text] Here is a summary of actions all over the country in December. In diverse counterinsurgency military operations, the extremists' casualty toll was 62 dead and 33 injured. In addition, 19 rifles of different calibers, 1 M-79 grenade launcher, 1 M-60 machingegun, 4 grenades, 11 pistols, 57 mines, and a Yaesu brand radio were confiscated.

During diverse acts of terrorism, FMLN groups killed 36 civilians, injured 33, and kidnapped 57. They killed 8 civilians and injured 20 with the mines which they refer to as the people's or revolutionary mines. The terrorist groups continue destroying the national economy. They attacked and destroyed 50 vehicles.

Moreover, terrorists killed three peasants in La Joya village, located in San Luis de la Reina, in San Miguel Department. According to information obtained in the area, Fidel Guevara and his two brothers were at home when the terrorist violently burst in and killed them. Eyewitnesses said that the rebels left the area saying that they would do this to anyone who refuses to cooperate with the FMLN.

According to another report, eight extremists were killed and two were injured in clashes with the Army. The first seven died in a clash with troops of military Detachment No 4, near La Soledad Village, Meanguera jurisdiction, Morazan Department. Two subversives were injured in this clash. The eighth terrorist was killed when the column he belonged to clashed with soldiers of Military Detachment No 3. The armed clash took place in Ocotillo Canton, Nueva Esparta, La Union Department. Following this action, the Armed Forces seized a G-3 rifle and its equipment.

GUATEMALA

DEFENSE MINISTER COMMENTS ON REBEL ACTIVITIES

PA052148 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 5 Jan 87

[Text] The subversive groups are reportedly recovering terrain in the country's northern region, according to unofficial reports on alleged armed clashes with the Army in which the Armed Forces reportedly had the worse part.

Nevertheless, regarding a clash in Playa Grande, El Quiche, Defense Minister General Jaime Hernandez Mendez downplayed the incident, adding that in general terms the guerrillas are under control.

[Begin recording] [Hernandez] That sector is under control. There was an armed clash which resulted in the deaths of one officer and one soldier. This was in the area of Playa Grande -- in other words, in the northern sector of El Quiche Department. This was the last action we have faced, which closed the year 1986.

[Reporter] Does this mean that guerrilla activities have increased in that area?

[Hernandez] The guerrillas continue with the same level of activity, and we also maintain the same control over that sector. The subversives have been active in that area. However, our units have that sector under control.

[Reporter] Have you announced your resignation effective 31 January?

[Hernandez] Yes, that was already decided by the president. We are waiting to deliver the post on 31 January.

[Reporter] Who will replace you?

[Hernandez] According to the president, it will be General Amajo. [end recording]

On another subject, Gen Hernandez said that the Army has not ruled the country in an absolute manner, as some sectors have said.

[Begin recording] [Hernandez] In reality, the Army has not ruled the country. Although there has been a military president, he has had a fully civilian team. Therefore, the Army has not actually ruled the country during the past 8 years as some sectors have said.

This past year, with President Cerezo's government, I believe that there have been close relations between the government and the Army. The president's guidelines have been well received and interpreted by the Army and have become the guidelines which the Army follows. These guidelines were followed in 1986. The president's 1987 guidelines have already been drafted and, shortly, the Army commanders throughout the country will receive them. We will follow these guidelines as we followed the 1986 guidelines.

[Reporter] Do you think the country's image has improved compared to the image Guatemala had during the previous governments?

[Hernandez] I feel that the president's efforts have been good. The isolation our country experienced some time ago is now over, and I think that Guatemala's image abroad has improved. [end recording]

In conclusion, Defense Minister Jaime Hernandez, who will leave the office of defense minister shortly, denied that President Cerezo had promised him another government office.

[Begin recording] [Hernandez] No, I have not received such a promise. I still have to talk with the president. He told me that he had something to offer. However, the offer has not been made. I have to find out about this and study the proposal. If I am offered diplomatic mission abroad, I do not think I will accept. I would prefer to stay in Guatemala. [end recording]

CABRERA DESCRIBES DUTIES AT NEW MINISTRY

PA052115 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 5 Jan 87

[Text] President of Congress Alfonso Cabrera, who will leave that post to head the new Ministry of Special Affairs [Ministerio de Asuntos Especificos], described his new duties.

[Begin recording] [Cabrera] Well, first of all, to coordinate the relations between the government and the political parties and the various national sectors and, in additon, to collaborate in the various tasks in order to reduce the level of tension and work from the president of the Republic, so that he can dedicate his time to the most fundamental and important matters. Therefore, I will be involved in all his activities, in order to help him in his projects, representing him when necessary. At the same time, I will help and support the various ministers so that they can carry out their duties and actions smoothly. I will also follow up on the various government actions in accordance with the political project we have prepared and the promises made to the Guatemalan people.

[Reporter] Will you replace the vice president?

[Cabrera] Certainly not. The Guatemalan Constitution clearly specified the duties of the vice president of the Republic. I will only collaborate with the president.

[Reporter] When is your next trip?

[Cabrera] I will be leaving from Washington tomorrow. I will meet with some U.S. Government officials and with some small business groups that are interested in investing in our country. From Washington, I will travel to Nicaragua to attend the promulgation of the Nicaraguan constitution at the invitation of the president of the Nicaraguan congress. [end recording]

HONDURAS

RENEGOTIATION OF FOREIGN DEBT REACHES IMPASSE

PA051700 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 5 Jan 87

[Excerpt] Honduran officials have told Radio America that renegotiations of part of the foreign debt with 40 banks are at an impasse because Honduras has been unable to pay immediately $11 million in interest. Central Bank sources told this station that the committee of creditor banks made resumption of the negotiations contingent upon the payment of $11 million in 1 disbursement. However, the Azcona government is reluctant to do this. The above amount corresponds to interest that has accumulated for an unspecified number of loans that have been due since 1986. Honduras is renegotiating with bankers the payment of loans totaling $216 million, which decentralized government agencies had contracted for during the past decade. Because the government had underwritten these loans, and some of these agencies then went bankrupt, it had to assume this obligation with international financial circles. The National Investment Corporation [Corporacion Nacional de Inversiones], the Honduran Coffee Institute [Instituto Hondureno del Cafe], and Honduran Cements [Cementos de Honduras] were some of the agencies involved.

Honduras owes a total of over $2.5 billion. A large part of the this amount is from loans contracted since 1965. The Honduran economy still depends on foreign capital contributions through grants or credits. Central Bank president Gonzalo Carias has insisted that this nation maintains the capacity to obtain and pay loans. However, efforts to renegotiate the payment of $216 million have failed. The talks on this matter began in 1984. Honduran officials fear that the country will be subject to an international financial blockade. However, they are reluctant to deplete the foreign currency reserves by agreeing to pay all the accumulated interest.

The U.S. Government is the largest supplier of funds. In 1986, it gave Honduras approximately $200 million in economic aid and $52 million in military aid. On the subject of our foreign debt. Honduras owes Costa Rica approximately 60 million lempiras. [passage omitted]

PRESIDENTIAL DESIGNATE ON REGIONAL PARLIAMENT

PA060346 Tegucigalpa LA TRIBUNA in Spanish 3 Jan 87 p 27

[Text] Presidential Designate Alfredo Fortin has said that it is not possible to establish a Central American parliament by excluding Nicaragua because such a forum requires the participation of the five area countries.

The official said that for the time being the possibility of establishing a Central American parliament is remote because of the suit presented by the Sandinist regime against Honduras and Costa Rica at the International Court of Justice [ICJ].

Fortin said that Honduras will uphold its position of not participating in the regional forum as long as Nicaragua maintains that suit. The Costa Rican Government has adopted the same position.

Nicaragua sued Honduras and Costa Rica in late July 1986 at the ICJ charging that those countries have lent their territory to the contras.

He pointed out: "Unfortunately, that suit was filed when we made much progress toward establishing a Central American parliament; as a result, the Honduran Government decided to withdraw from any meetings."

As for the possibility of establishing the parliament by excluding the Sandinist regime, the presidential designate said that it is not possible because the objective is to create a forum to discuss regional problems, and that requires the participation of all area countries.

Fortin pointed out: "We cannot isolate Nicaragua or assume it does not exist because that country is located in the area, and I believe that if the five countries are not represented, the parliament would turn out to be a failure."

CONGRESS REELECTS ARMED FORCES CHIEF FOR 3 YEARS

PA300258 Panama City ACAN in Spanish 0055 GMT 30 Dec 86

[By German Reyes]

[Excerpt] Tegucigalpa, 29 Dec (ACAN-EFE) -- The Honduran Congress today elected General Humberto Regalado Hernandez as the new Armed Forces chief for a 3-year period that will begin on 27 January 1987.

Regalado Hernandez, the current commander of the military institution, headed a slate made up of three officers proposed to the Legislative Chamber.

That slate was also made up of Colonels Edgardo Mejia and Hector Ventura, commanders of the Honduran Air Force and the 105th Infantry Brigade, respectively. [passage omitted]

NICARAGUA

PLI DEPUTIES ON WHY THEY SIGNED CONSTITUTION

PA060240 Managua EL NUEVO DIARIO in Spanish 4 Jan 87 p 1

[Text] "We are five men who for a long time have struggled with determination within the Independent Liberal Party [PLI]." Thus began the extensive remarks of one of the five deputies who signed the constitution. He spoke to the PLI's national board of directors, which asked for strong sanctions against the five deputies for having signed the constitution.

"When we were still very young, we joined the PLI because we saw that the party was formed by strong-willed men with an advanced ideology in the framework of a social liberalism natural for this time."

Eduardo Coronado Perez, Macario Estrada Lopez (founder), Carlos Alonso Garcia, Julio Melendez Hermida, and Santiago Vega Garcia have said that it is not necessary to be a Marxist-Leninist to achieve social justice changes for Nicaragua. "We believe in the concept of freedom in all its manifestations and expressions. It is the natural factor that this people require to build a revolution that will bring well-being for the people."

They went on to say that the party has an obligation with the people; much still remains to be done for peace and democratization in Nicaragua, and this will not be attained by abstaining from participation, as the party leaders want. The party's purpose is achieved through a greater participation in the Nicaragua political struggle.

They said further that Nicaragua has been suffering for more than 7 years because of foreign forces that are trying to prevent the revolutionary process. It is up to conscientious Nicaraguans to struggle to prevent this. Such a purpose cannot be fulfilled by abstention, but by making a deeper commitment in the struggle to democratize Nicaragua.

They added that a party that does not "play a leading role in this struggle and instead stays by the road looking at the train of the revolution passing by becomes a coward, a passive spectator, a dead weight for history. This is what abstentionism leads to."

The deputies, who are also leaders of the PLI's movement for unity and democratization, have stressed that the PLI must reach political power. We know many will be left stranded along the way. Some will shift to another car, but there will always be some leaders, like us, who will not cease in this struggle; we will forge ahead even if the top leaders make up their minds to cease their struggle through their abstentionism.

Reasons for signing the constitution of the sanctioned PLI members include these: "We consulted with the PLI grassroots that disagree with the top leaders' abstentionism. With this position, the party slowly isolates itself and dies."

"We obeyed the PLI national assembly's mandate to take advantage of every possible civic space to expand the party's foundations and increase our political activities."

"With our signatures, we maintained the party's political line, namely, to limit our struggle to the civic level. Not to sign would have meant leaving open a door for noncivic alternatives."

Article 32, paragraph A of our statutes says: The delegation assembly is the organism that normally exerts all national assembly functions during the assembly's recess, except for the following: A. To amend the declaration of principles and the party statutes. Article 26c says: The national assembly has these functions: To decree the political and social orientations and policies regarded as necessary for the party's objectives.

The deputies also said they signed the constitution because "no act of disobedience or party indiscipline was involved because they exerted the right to defend, uphold, and disseminate the people's principles, statutes, and action programs."

They also argued that to not sign the constitution "would have amounted to foul play with the opposition parties that signed the constitution and which have struggled besides the PLI in the efforts to find a civic solution for the crisis in the country." Also, "we did not want to make common cause with both the most radical sector of the conservative rightists who did not sign and those of the MAP-ML [Marxist-leninist People's Action Movement] of the far left. This contradicts the PLI's traditional policy of not leaning to any of the extremes, but rather to stay in the moderate sector."

At the end of the five deputies' arguments, they asked the directors to be "calm and judicious" so as to not fall for the trap "laid for them by the top leaders" who try to make them believe that "we have committed a serious offense by our signing the constitution. This action has not been described as a serious offense in any of the statues' paragraphs. Therefore, our actions does not even merit the formation of the justice commission to hear the matter. This is why we ask you to declare inapproparite any action by the top leaders in this direction, they concluded.

OFFICIAL SAYS NEW MARKETS OPENED IN 1986

PA312217 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 31 Dec 86

[Text] Pedro Antonio Blandon, first deputy minister for foreign cooperation, has reported that, despite the embargo that the United States has imposed on Nicaragua, the External Cooperation Ministry opened new commerrcial markets and lines of credit and received valuable donations from friendly countries in 1986.

Within the 1986 economic plan, the Foreign Cooperation Ministry strengthened economic a cooperation ties with socialist and capitalist countries. This cooperation was worth about $850 million. The new relations with these countries, technological changes, and the search for new markets involved commercial exchange in the economic operation.

[Begin Blandon recording] New agreements were necessary. We had to get used to new systems, even control of bank accounts, as well as allotment of credits, and transporation of merchandise from these new markets to Nicaragua. For example, a ship has been sent from India with a shipment vital for the Nicaraguan economy. [end recording]

This situation, which provoked tension in Nicaragua's external sectors, will continue into 1987. In view of this problem, the ministry will restrict imports and will try to increase exports even more to a significant figure.

[Begin Blandon recording] The participation of the Foreign Cooperation Ministry and the entire revolutionary government will become even greater because, although the [words indistinct], the special resources to be negotiated, particularly money, will continue to flow. [end recording]

The deputy minister said that efforts will be made to get $3 for the country for every dollar exported in cotton and sugar.

RAUL CASTRO RECEIVES CPSU CULTURE DELEGATION

FL051607 Havana Radio Reloj Network in Spanish 1502 GMT 5 Jan 87

[Text] Army General Raul Castro, second secretary of the Communist Party of Cuba [PCC], has received the delegation headed by Yuriy Voronov, chief of the Culture Department of the CPSU Central Committee and prominent Soviet literary figure. The meeting turned out to be a productive exchange of information and views on the processes under way in the two countries. Attending the meeting were Aleksandr Kapto, USSR ambassador to Cuba; and Armando Hart and Vilma Espin, members of the PCC Politburo.

[Havana Tele-Rebelde Network in Spanish at 1445 GMT on 5 January, in a similar report, adds that also present was Carlos Aldana, member of the PCC Central Committee Secretariat.]

The working delegation was making the visit as part of the CPSU-PCC exchange program. Before returning to the USSR, it held work meetings and visited cultural and social installations, such as the Casa del Caribe in Santiago de Cuba, the National Union of Cuban Writers and Artists, and the Casa de las Americas in Havana.

UK PAPER ACCUSES REAGAN OF 'FALSEHOODS'

FL051841 Havana Radio Reloj Network in Spanish 1506 GMT 5 Jan 87

[Text] The administration of American President Ronald Reagan repeatedly lies about Cuba, the British newspaper DAILY TELEGRAPH comments today. The morning paper states that Reagan has manufactured a series of falsehoods concerning Cuba's role in Central America because Washington has never been truly interested in negotiating with this country. The paper quotes directly from a book written and published by Wayne Smith, former head of the U.S. Interests Section in Havana for 3 years. Smith resigned his post in protest over the White House's Cuban policy, the DAILY TELEGRAPH says. According to the paper's commentary, Smith accuses former Secretary of State Alexander Haig of looking for military solutions in Cuba and Nicaragua without taking diplomacy into account.

FDR'S UNGO ASSESSES DUARTE'S POPULARITY

PA030326 Havana International Service in Spanish 2300 GMT 2 Jan 87

[Telephone statement by FDR President Guillermo Ungo in Mexico; date not given -- recorded]

[Text] We can briefly say that from a military point of view, the U.S. counterinsurgency project has not reached its objectives despite the fact that it was made more complex, sophisticated, and improved. Despite the improved technical conditions and military supplies situation of the Salvadoran Army, the objective of forcing the guerrillas, the FMLN, to withdraw, to push them north, to isolate them, to hit them, and to gradually weaken them was not reached. The opposite has happened. The FMLN has expanded its operations field. It is now operating in 13 of the 14 Departments. This was not the situation 1 year ago. The FMLN's tactics of wearing down through a dispersal of forces in a more guerrilla-like war have produced results. The FMLN recently reported through Radio Venceremos 6,200 Army casualties, many of which are definite casualties.

In political terms, we can affirm that we have seen a deterioration of the military Christian Democratic Party [PDC] regime, with an increasingly discredited Duarte, who is increasingly subordinate to Reagan -- the U.S. Administration -- the Army High Command and the ultrarightist sectors. Duarte is being opposed by everybody: the center, the right, and the left. He has lost its social support basis, and there is an important division within the UPD [Democratic Popular Unity]. We have seen a new realignment of social forces, and now these forces have moved closer to positions that coincide with the position of our fronts.

Corruption has morally discredited the regime, Duarte, and the PDC. Corruption has an important political impact. From the economic point of view, we also see a deterioration of the regime. This situation was aggravated by the impact of the earthquake, which hit mostly the popular and urban sectors in the capital under a government that cannot satisfy the slightest popular demands, while hundreds of thousands of workers have been left homeless.

The economic situation has deteriorated and the government has had to resort to taxes suggested or imposed by the IMF. These taxes are larger than in other countries because they support a war economy.

Eyes Possibility of Dialogue

PA040355 Havana International Service in Spanish 2300 GMT 3 Jan 87

["Second part" of telephone interview with FDR President Guillermo Ungo in Mexico City by Humberto Casanova; date not given -- recorded]

[Text] [Casanova] Dr Ungo, is there the possibility of a dialogue in El Salvador this year?

[Ungo] The possibility of a real, responsible dialogue which seeks a political solution seems remote, at least in the next few months. I believe that the dialogue could probably be renewed during the year, but I think it will be much later. I do not think this will be possible in the next few weeks or months. Why? Because the Reagan administration still wants to continue trying the military solution. The Salvadoran Army's General Command is quite subordinated to that administration and also has a political, economic, and military interest in continuing the war. The sectors which might advocate a political solution -- this probably includes even Duarte -- are still too weak and subordinate to the main factors of power. Consequently, Duarte's lack of power has been proved by the failure of his own initiatives to renew the dialogue. If he issues another proposal it would not be really serious; he would be merely doing it to keep up appearances.

However, I think that the conditions for a dialogue will emerge later on because this is not only demanded by the international community, but also by important social sectors -- and I am not only talking about the popular and progressive sectors. This also includes center and moderate right sectors in the country, in El Salvador, which are assuming more active roles and demanding the dialogue. These sectors have perceived that their interests are not those of the Reagan administration, and the real economic and social costs of the counterinsurgency war are being paid by those sectors and the Salvadoran people.

Therefore, we believe that the outlook for a dialogue in the middle term is favorable, even though it does not seem favorable in the short term.

[Casanova] What importance do you give to the pact signed on 30 November between the FDR and FMLN?

[Ungo] We think this is a significant and important step because it updates the terms of our relation, alliance, and common struggle. The pact is based on the accumulation of our experience and political activities since 1980, and includes all our achievements during this 6-year relationship. It also responds to current and future needs and the individual and joint interests of our various organizations.

Consequently, I think that the pact will let us develop our own organizations and the two fronts which comprise the alliance. We discuss and clarify important matters to our people and the international community, because these matters are sometimes misunderstood or misinterpreted, and the enemy has tried to manipulate the situation.

URNG'S SOLARES REVIEWS 1986 GUERRILLA OPERATIONS

PA031218 Havana International Service in Spanish 2300 GMT 2 Jan 87

[Interview with Victoria Solares, member of the URNG, by Ramon Chon in Havana -- recorded]

[Text] [Chon] The U.S. Government has announced that this year it will send $50 million in aid to the Guatemalan Army. What could be the meaning of this increased imperialist meddling in the struggle by the Guatemalan people?

[Solares] This aid that has been announced can be added to other forms of aid that are not made public. This aid will only serve to increase aggression against the people, especially civilians. This is what counterinsurgency plans do. It will mean an additional threat to peace in the region because military strengthening of the Guatemalan Army will also connect the this Army's commitments to U.S. policy for Central America. Eventually, this could also mean a larger involvement of the Army -- which would have greater economic, technical, and military possibilities -- in some sort of aggression against Nicaragua, or in an eventual regional conflict.

We believe that this type of funding is to especially support war plans.

[Chon] Could you tell us about the results of the guerrilla struggle in 1986, the year just concluded?

[Solares] In quantitative terms we could mention some points. We inflicted more than 500 casualties on the Guatemalan Army from January to December 1986. We can also say that we carried out more than 200 guerrilla operations against the Army as it was engaged in repressive actions against the civilian population. We also carried out more than 200 political and military operations during which we delivered the revolutionary message to the population.

[Chon] In this context, is there any possibility of establishing a dialogue with the regime to promote a political and peaceful solution to the conflict?

[Solares] One of the steps taken by the guerrillas has been that of promoting political initiatives. We believe that any force interested in democracy and peace in our country must make all the necessary efforts to promote a search for a political solution to the internal conflict our country in enduring.

[Chon] Victoria, according to economic figures, in 1986 the Guatemalans were poorer than in 1980. What will be the situation in 1987?

[Solares] It is expected that in 1987 there will be tax increases. We believe that the most urgent problems of the Guatemalan people will not be solved in 1987.

[Chon] We thank you, Victoria, for this interview.

PERU'S ALVA PERMITS FISHING SHIPS TO REMAIN

PA300052 Havana International Service in Quechua 0000 GMT 23 Dec 86

[Text] In remarks to the press, Luis Alva Castro, prime minister of President Alan Garcia's government, said that the Cuban ships and their crews currently in Peru will stay for an additional length of time because of the social work they have been doing, which consists of fishing and then selling the fish at less than cost to impoverished and needy Peruvians.

Alva Castro later said that Peru will organize a national fishing fleet to do what the Cuban ships now do, and that this decision was made as the result of his meeting with Cuban President Fidel Castro.

The prime minister delivered a message on behalf of the Peruvian Government and people thanking the Cuban Government for Cuba's valuable assistance which is based on the close friendship between the two countries.

PERU'S GARCIA CITED ON NICARAGUA, U.S. POLICY

PA041847 Havana International Service in Spanish 1600 GMT 4 Jan 87

[Text] Peruvian President Alan Garcia has stated in Lima that his trip to Nicaragua on 9 January is a demonstration of his solidarity with that Central American nation and of his backing for the promulgation of the new Nicaraguan constitution.

Alan Garcia told the media that the Nicaraguan Government's decision to promulgate a constitution in the midst of the U.S. aggressions is enduring and must be welcomed and weighed by all Latin American governments.

He criticized the aggressive U.S. policy on Nicaragua, noting that the U.S. Government has no right to intervene in the domestic affairs of another nation. Regarding his trip to India at the end of this month, the Peruvian president said that it will contribute to strengthening relations with a nation that plays an important role in the Nonaligned Movement.

ARGENTINA EXAMINES DEBT, SIGNS TRADE AGREEMENT

FL240417 Havana Radio Reloj Network in Spanish 0402 GMT 24 Dec 86

[Text] Cuba and Argentina have signed a document of negotiation in Buenos Aires to lay the foundations for the development of trade between the two countries. The document was signed by Ricardo Cabrisas, Cuba's foreign trade minister, and Juan Vital Sourrouille, Argentina's economy minister, who led their respective countries' delegations during the talks which lasted several days.

The document provides for an examination of the whole gamut of trade issues between the two Latin American states, including the restructuring of Cuba's debt with Argentina.

Cabrisas described the negotiations as productive because they are an important step toward decisions that will be adopted by the two parties on the road to greater integration.

EDUCATION CHIEF NOTES COOPERATION IN ANGOLA

FL052250 Havana Radio Reloj Network in Spanish 1917 GMT 5 Jan 87

[Text] Angolan President Jose Eduardo dos Santos has said Cuban cooperation with his country has a special character and includes several areas.

Agreeing with the highest Angolan leader's New Year's message to his people, Recaredo Ramon Rodriguez, chief of the Cuban education contingent since October, 1985, affirmed that the education sector is the one that has been felt the most in our cooperation with Angola.

Since the arrival of the first teachers in Cabinda on 19 February, 1976, approximately 9,000 Cuban educators have brought teaching to Angola, said Ramon Rodriguez. The chief of the education contingent in Angola added that at certain times there were more than 2,000 Cuban teachers. Currently teachers work in 13 of the 18 Angolan provinces.

Cuba also has an advisory role in other social affairs.

RISQUET ARRIVES IN ETHIOPIA, PRAISES RELATIONS

FL252228 Havana Radio Reloj Network in Spanish 2136 GMT 25 Dec 86

[Text] Jorge Risquet Valdes, member of the party's Politburo, has said that Cuba's relations with Ethiopia could not be better. He arrived today in Addis Ababa on a friendly and working visit.

In statements to the press on his arrival at (Bol) Airport, Risquet asserted that Cuba is always ready to cooperate with its Ethiopian friends if necessary. In this connection, he noted Cuba's present assistance to the Ethiopian revolution, the nature of which was defined during the meeting of the joint Cuban-Ethiopian commission held in October in Addis Ababa.

Asked by the journalists about the Cuban delegation's presence in Ethiopia, Risquet confirmed the brotherhood between the two countries, parties, and peoples, which contributes to a greater identification with common objectives.

Meets Mengistu, Departs Capital

FL022247 Havana Radio Reloj Network in Spanish 2222 GMT 2 Jan 87

[Text] Jorge Risquet Valdes, member of the party's Politburo, today described his exchange in Addis Ababa with Ethiopian President Mengistu Haile-Mariam as positive and productive.

In statements to the press before leaving Ethiopia, Risquet Valdes said he and the Ethiopian leader had examined bilateral relations and international issues of interest.

Fighters Send Message to Castro

PA031918 Havana International Service in Spanish 1800 GMT 3 Jan 87

[Text] Cuban international fighters in Ethiopia have sent a congratulatory message to Commander in Chief Fidel Castro and General of the Army Raul Castro for their ratification as president and first vice president of the Council of State.

The document, which referred to the recent decision of the National Assembly of the People's Government, was also signed by the members of a Cuban delegation visiting Ethiopia. This delegation is headed by Jorge Risquet, member of the Communist Party of Cuba's Politburo.

GRANMA PUBLISHES DATES FOR ECONOMIC MEASURES

FL311656 Havana Tele-Rebelde Network in Spanish 1306 GMT 31 Dec 86

[Text] Today the daily GRANMA publishes the schedule announcing the effective dates of the measures agreed upon to confront the country's financial situation.

Some of the measures will be applied immediately in January and others will require study and a processing period to begin their implementation, but will be applied in 1987.

Our version of the schedule of the effective dates of the measures announced by Commander in Chief Fidel Castro at the National Assembly of the People's Government stresses the character of the measures, indicates those affected, and gives some necessary clarifications.

As the First Secretary of the party said, the measures are adopted to save convertible currency and an adequate domestic financial balance without affecting the country's level of development.

The sale of electric appliances to the people will be increased as a result of the elimination of assignments of those appliances and mattressedto the state's central administration organizations and its enterprises. The increased sale of electric appliances to the people includes sewing machines, television sets, radios, refrigerators, ceiling and table fans, electric irons, mixers, washing machines, mattresses, and other goods. The measure will allow the sale of 20,000 table fans, 16,000 mattresses, 8,000 television sets, and approximately 5,000 air conditioners.

This decision, which becomes effective 5 January, does not apply to some areas such as tourism, health, education, laboratories, foreign technical assistance, and workers' lodgings permanently mobilized in the tasks of harvest, construction, and other tasks.

Adjusting the distribution of liquid milk is intended to avoid powdered milk imports above the current rates. The schedule of the effective dates of the measures agreed upon at the National Assembly states that the normal quota of milk for children and the population will not be affected. The regulation indicates that those on medical diets receiving 1 liter or more of milk daily will have their quota reduced by one-fourth of a liter. They will thus receive 3 liters every 4 days. Domestic intermediate-level and higher-education students will have their [words indistinct] by 33 percent. Designated work centers will receive one-fourth of a liter per person with the exception of miners working underground. The measures on milk distribution will become effective 1 March and the savings obtained will allow domestic production to supplement day care centers.

The reduction of boned beef in medical diets by one-fourth of a pound for those who receive one pound or more weekly or every ninth day [novena] is intended to prevent importing 600 tons of beef or 800 tons of poultry. In accordance to the studies conducted, 96,000 people, who receive 1 pound of meat or more, will be affected. The measure will not affect the 338,000 people who receive a quota higher than established in the regulations or the more than 2,000 children who are on basal diets. The reduction of boned beef in medical diets will become effective 1 March. Studies will be conducted in the provinces in January and February to make the systems established for this diet uniform, says the information published in today's GRANMA.

Elimination of the afternoon snack:

The information on the schedule of the effective date of the measures agreed upon at the National Assembly indicates that eliminating the afternoon snack service in the administrative sphere of the state's central administration and the people's government favors labor discipline, improved use of the work day, and conservation of resources and personnel. The regulation indicates that the acquisition of products many times depends on the deviation of food from the people's network. The act of eliminating the afternoon snack does not mean there is or could be an adjustment of the 8-hour work day. Under no circumstances will the work day be adjusted by one-half hour. Included in this measure are all administration organizations that are not linked [vinculados] with production. The elimination of the afternoon snack service in the administrative sphere becomes effective 5 January.

The reduction of sugar to the Minal [Ministry of the Food Industry] and the organs of the people's government takes into account that it is possible to diminish the content of sugar in preserves and other products. The measure, which becomes effective 5 January, will represent a savings of more than 21,000 tons of sugar that can be designated for export.

The reduction of sugar quotas to the Minal and the people's government will not affect the people's normal quota.

The measures to confront the country's financial situation specify the number of students eating at half-board and full-board schools, which will not be more than the 12,000 students in the school year beginning September, 1987 when this regulation becomes effective.

The rice quota remains unaltered. The application of the measure that establishes the substitution of 2 months of rice for double the quota of potatoes during the harvest for the state organs in the western provinces from Pinar del Rio to Matanzas will not affect the population's quota. Excluded from the measure will be priority activities such as public health and tourism, which will maintain their established assignments.

In reference to the reduction of supplies to the lunchrooms in the Minaz [Ministry of the Sugar Industry] and in agriculture, with the exception of the harvest, the document published in GRANMA says this will result in savings of rice, beans, fat, and meat products, which those lunchrooms can obtain through good self-sufficiency [via del autoconsumo]. Currently the Minaz and agriculture lunchrooms have 198,000 eating spaces, and products are sold to workers in the food self-sufficiency part.

Substituting the afternoon meal with a substantial snack in the country's child care centers as of 5 January, results from the need to increase the capacities of those centers. The analysis resulted in the conclusion that the regulation would permit increased child care capacities. Currently, there are more than 100,000 children in the country's child care centers, and even though the parents make their monthly payments, the state pays 65,000 pesos to maintain them, making them a subsidized actitivity, which justifies maintaining the price paid for the child care centers. In addition, the savings resulting from substituting the afternoon meal with a snack is not absolute because the consumption of other foods will be increased.

Reduction of kerosense and gasoline:

As of 5 January, the monthly quotas of kerosene will be reduced for core consumers, and the quota of motor gasoline will be decreased by 20 percent for the use of administrative activities. In the case of kerosene, a deficit of 35,000 tons was projected for next year. Given the country's financial situation, it becomes necessary to maintain the restrictions.

The reduction of the gasoline quota not only has an economic impact but also raises the awareness of better use of resources assigned by the state.

Even though the directive reduces the quota, later, the norms of consumption and assignment practiced by organizations and territories will be studied.

Television programs from Monday to Friday will be reduced by 5 hours daily [en 5 horas] while on Saturdays and Sundays television programs will be reduced by 2 hours [en 2 horas] each day. This measure is intended to conserve oil and includes cutting back "Revista de la Manana" ["Morning Magazine"] by 1 and 1/2 hours, 1/2 hours of Tele-Rebelde programming from 1130-1200 [1630-1700 GMT], 1 hour from 1800-1900 [2300-2400 GMT], 1/2 hour of the news program on Channel 6 [Havana Television Cubana Network], as well as eliminating programming at 1730 [2200 GMT] on Channel 6, and several television [Tele-clases] and accounting classes.

In the case of weekend television, the measure means the two channels will begin broadcasting Sunday at 0930 [1430 GMT] and conclude broadcasting at 0000 [0500 GMT]. On Saturday, "Revista de la Manana "will be cut back by 2 hours.

Textile exports: Without affecting the supply to the normal market, an additional 10 million square meters of textiles for personal and domestic use will be designated for export. This will diminish availability on the free market. This measure represents an income of approximately $6 million for the country.

Another measure will increase the private sector's electricity rate from 6.5 cents to 9 cents per kilowatt beginning 1 January. The immediate application of this measure is required because of the sustained, increased consumption of energy in the private sector. The study conducted was done to avoid planned blackouts and, above all, to make the people conserve energy. A study is being conducted on the consumption of energy in the state sector, so other regulations may be applied. The regulations on the assignment and use of vehicles in the civilian state sector will be applied in three stages, three times a year.

In the first stage, the positions will be defined that require the use of cars with state license plates, which will be white with blue embossed letters. Guidelines for their use will also be defined. The second stage relates to the remainder of the state sector except the enterprise system. It means the sale of cars to thousands of functionaires who would assume maintenance expenses for their own cars. The third stage concerns solely the enterprise system in the same terms as in the previous stage, without affecting production for services.

Another measure will do away with linked [vinculados] cars. After analysis, only those that are justified will remain. Once all three stages are completed, the vehicles will be distinguished by the plates they bear.

Austerity in expenses: Beginning on 5 January, gratuities will be eliminated in the workers lunchrooms in all areas of activity. This measure will help control consumption, reduce waste of food, and lead to a more rational use of resources. Those lunchrooms that so decide may establish an optional system, but they will not [as heard] charge the stipulated rate -- that is, 50 cents per serving or tray. This measure excludes only ships and aircraft crews, and fishermen.

Other measures will reduce per diem and other personnel expenses by 5 percent, and reduce the costs of travel in foreign exchange by 15 percent. Both measures, which are self-explanatory, are designed to help economize more and to foster austerity.

As announced, the urban transport fare will go up on 5 January, including fares to and from factories. The fare will go from 5 to 10 cents in both urban and factory buses. This does not include charges for transportation in trucks or other means used by the various enterprises. The main objective of this measure is to save fuel, parts, tires, and batteries.

Retail prices of products from self-sufficient areas will also be raised, as follows: rice, 60 cents a pound; beef strips [carne de res en banda], 1.50; beans, 65 cents; root vegetables, 20; corn, 20; poultry, 1.40; goat meat, 1.50.

Inter-provincial transport, fiestas, and (?diets): After a study of inter-municipal fares, routes, and itineraries, inter-provincial fares will be raised in order to ensure a more rational use of equipment. This measure will go into effect on 1 April.

Work is underway to make popular fiestas self-financing with the object of cutting the state budget by more than 7 million pesos. Medical diets will also be revised, including permanent ones, with the object of canceling those that are unwarranted and cut down the use of large quantities of fresh and canned milk, poultry and beef, and eggs. This does not aim to eliminate diets, but rather to keep only those that are totally justified.

Work events and meetings will be cut by over 50 percent overall, as a measure to save state budget funds. The schedules of events, sporting and recreational activities will also be modified, so they will not be held at peak times between 1800 and 2100, thus saving oil. Moreover, some prices in the parallel market will be raised. In all cases these measures were approved by the National Assembly of the People's Government within the context of the approval of the single socio-economic development plan and the state budget for the coming year, which means they have legal force and are for immediate implementation.

17 Measures Become Effective

FL060024 Havana Radio Rebelde Network in Spanish 0000 GMT 6 Jan 87

[Text] A group of 17 economic measures recently announced by the country's directorate became effective today. The measures are directed at the recovery of domestic finances and achievement of an adequate balance without affecting development. Another group of economic measures will become effective throughout the year in accordance with the program approved by the corresponding organizations.

Workers To Discuss Measures

FL051325 Havana Radio Progreso Network in Spanish 1200 GMT 5 Jan 87

[Text] More than 2 million workers throughout the country will spend this month discussing a basic document prepared by the central organization of Cuban trade unions summarizing the ideas and measures set forth by Commander in Chief Fidel Castro at the National Assembly of the People's Government. The material will serve as the guidelines to analyze the fulfillment of the measures taken in the process to rectify errors now under way, and will make it possible to find out which ones are not being implemented yet. Suitable steps will be taken to set the course right everywhere.

ANTIGUA AND BARBUDA

PRIME MINISTER SAYS FREELAND DISPUTE RESOLVED

FL051420 Bridgetown CANA in English 2037 GMT 4 Jan 87

[Text] St Johns, Antigua, Jan 3, CANA -- A dispute within the Antigua and Barbuda government was resolved today after a dissident cabinet minister agreed to accept new responsibilities offered to him in a cabinet reshuffle, prime minister Vere Bird said.

Adolphus Freeland, who previously held the Labour and Housing portfolios, had rejected responsibility for a new-look Health and Labour Ministry, saying he wanted to retain housing. But after two days of talks with the minister, Bird announced: Comrade Adolphus Freeland has notified me that he is now ready to accept the portfolio of Health and Labour that was offered to him.

I have the offer under consideration and after I have considered Comrade Freeland's offer to accept the portfolio, I will give him a reply and I will inform the governor-general of my reply.

The 76-year-old prime minister did not give any reason for Freeland's change of mind but said the former trade unionist must have realised the importance of the new-look ministry to the development of the country.

Up until late last night, Freeland said he was standing firm on his bid to retain the Housing Ministry which he said allowed him to service his constituents.

Bird said the New Year's Day cabinet reshuffle which affected all but four ministers, was made to provide greater service to the country. But political analysts said the changes were prompted by the embarrassment the government has faced over a scandal linked to a controversial multi-million dollar airport rehabilitation project.

HAITI

NAMPHY CARRIES OUT 'MAJOR' CABINET CHANGES

PA060357 Paris AFP in Spanish 0311 GMT 6 Jan 87

[Text] Port-au-Prince, 5 Jan (AFP) -- The Haitian National Government Council, headed by General Henri Namphy, carried out major cabinet changes on Monday, it was officially announced.

Four ministers lost their positions: Foreign Minister Jean-Baptiste Hilaire; National Education Youth and Sports Minister Rosny Desroches; Justice Minister Francois Latortue, and Public Health and Population Minister Michel Lominy.

They were replaced respectively by Colonel Herard Abraham, a moderate career officer who was serving as minister of information and coordination; Patrice Dalencourt, who served as secretary of state at that same ministry; Francois Saint-Fleur, an attorney, and Lieutenant Colonel Jean Verly, a moderate figure within the Haitian Army's medical corps.

Five secretaries of state were also appointed by Gen Namphy: Fernanda Balmire, secretary of state for foreign affairs; Lionel Lecomte, secretary of state for worship; Franck Paul, secretary of state for national education; Rene Duperval, secretary of state for public health, and Pierre-Robert Auguste, a 33-year old journalist, as director of the periodical INFORMATION.

TRINIDAD AND TOBAGO

NEW PARLIAMENT TO CONSIDER BUDGET, DRUG REPORT

FL312342 Bridgetown CANA in English 2123 GMT 31 Dec 86

[Text] Port-of-Spain, Trinidad, Dec 31, CANA -- The Trinidad and Tobago parliament will reconvene on January 12 following general elections, newly-elected prime minister A.N.R. Robinson said today.

Robinson made the announcement in a New Year's message, his first formal address to the nation since the landslide election victory of his National Alliance for Reconstruction (NAR) over the former ruling People's National Movember (PNM) in the December 15 poll.

Robinson also announced he would present his administration's first budget before January 31.

The NAR won 33 of the 36 seats in the house of representatives, giving the PNM its first defeat after 30 years in power.

Robinson said a controversial report on drug trafficking here, commissioned by the previous administration, would be laid in parliament by Attorney-General Selwyn Richardson.

He called the report a scandalous state of affairs, and said it would be tabled in the house with any necessary safeguards.

PNM FAILS TO DECIDE ON SENATE APPOINTMENTS

FL312348 Bridgetown CANA in English 1835 GMT 31 Dec 86

[Text] Port-of-Spain, Trinidad, Dec 31, CANA -- New parliamentary opposition leader, Patrick Manning, today said the People's National Movement would present constructive opposition to the government.

Our opposition will be a constructive one, the former energy minister told a news conference 16 days after PNM's 30-year rule ended in a crushing electoral defeat by the National Alliance for Reconstruction (NAR).

Manning, one of only three opposition parliamentarians, told reports: We are about to assume the role in the parliament that our party has not assume since it existence. Its the first time in the existence of our party that we are in the opposition...it is a challenge that we will accept and it is an opportunity that we will use.

We see it as an opportunity to further serve the people of Trinidad and Tobago albeit in a different context.

Manning said it was not the party's intention to oppose for opposing sake but, at all times, to keep in view what our major objective is and that is the improvement of the quality of life of the citizens of our country.

Manning answered queries on the effectiveness of a small opposition by pointing out that the PNM had nine representatives and six in senate:

We do not stand alone. We have behind us the weight of a political party and the expertise...that has served the country in government for thirty years, he said.

Manning declined to comment on the 33-3 seat defeat of the PNM.

The PNM central executive last night failed to decide on six appointments to the senate. PNM sources indicated that much discussion was taking place over the Senate appointments with senior PNM officials who lost their seats at the polls seeking nomination to the chamber. The PNM is a disciplined political organization, said Manning...for the first time in 30 years, we have lost an election.

You are going to expect in those circumstances that some tempers will get frayed. You are going to expect that there will be a lot of personal recrimination but, whatever it is to prevail that people are going to have their chance to clear their chest and, at the end of the day, the PNM is going to be much better off for it and be in a much better position to resolutely move forward to discharge our new responsibility and to make vibrant effort to regain the benches of government in the next general elections. [sentence as received]

Discussion is also going on over the choice of a new political leader following the resignation of former Prime Minister George Chambers.

The PNM meets next Sunday to discuss Chamber's resignation.

MANNING EXPECTED TO FOLLOW CHAMBERS IN PNM

FL051427 Bridgetown CANA in English 2129 GMT 4 Jan 87

[Excerpt] Port-of-Spain, Trinidad, Jan 4, CANA -- The People's National Movement today formally accepted the resignation of former leader and ex-Prime Minister George Chambers at a meeting of the party's governing general council, party officials said.

The council set February 8 as the date for a convention to elect party officials, including a new political leader.

Former Energy Minister Patrick Manning, the parliamentary opposition leader, is widely expected to be nominated for the post of party leader [passage omitted]

MOENGO BAUXITE INDUSTRY AFFECTED BY FIGHTING

FL052143 Paramaribo International Service in English 1730 GMT 5 Jan 87

[Text] Both unions in the bauxite industry in Suriname, the Paranam workers union and the Moengo mine workers union have rejected the way the Suriname Aluminum Company [Suralco] is handling the situation at the Moengo operation.

As of New Year's Day this year, the company has sent its workers at the Moengo operations on 3-week compulsory leave after which their wages and all facilities will be stopped.

The two unions have rejected this and demand that Suralco negotiate with them as is provided for in the collective labor agreement between the unions and the company.

The management of the company, however, insists that the measures are the formal standpoint of the company with the union saying it was a one-sided decision. This week the boards of the unions and the management of Suralco will meet to further discuss the matter.

As a result of the fighting in east Suriname, the Moengo operations have stopped producing for several weeks now and this has caused a stagnation in the supply of ore to the Paranam plant. Suralco will now import bauxite to keep the plant going.

FORMER MINISTER TO DIRECT PALM OIL COMPANIES

FL052152 Paramaribo International Service in English 1730 GMT 5 Jan 87

[Text] Former Minister of Transport, Trade, and Industry Imro Fong Poen has been appointed director of the three oil palm companies in the country, Patamacca, Victoria, and (Favora).

He begins his new appointment with the difficult task of recovering production after the destruction of these companies by members of the Brunswijk Gang.

Fong Poen, who is an engineer, had been minister in the last government for 5 and one-half years.